

Remarks

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 1-25 are pending in the application, with claims 1, 16, 24 and 25 being the independent claims. No claims are sought to be cancelled. No new claims are sought to be added. Claims 1, 16, 24 and 25 are sought to be amended. The abstract is also sought to be amended. These changes are believed to introduce no new matter, and their entry is respectfully requested.

Based on the above amendment and the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

Objection to the Abstract

The Examiner has objected to the Abstract. *Office Action*, p. 2. Specifically, the Examiner asserts that "[n]o Abstract has been received with this application." *Id.* The Examiner further asserts that the Abstract "exceeds the maximum permitted length of 150 word, [sic] and because it contains references to the drawings which obscure the purpose of the Abstract." *Id.*

Applicants firstly note that the assertion that "[n]o Abstract has been received" appears to be in error, since the instant Application was published with an Abstract as U.S. Patent Appl. Publ. 2007/0282674 on December 6, 2007. Further, the published Abstract was determined through the use of Microsoft Word to contain 136 words, and therefore the maximum length objection also appears to be an error. With respect to the references to the drawings, Applicants have amended the Abstract to remove the

references. Accordingly, Applicants respectfully request that the objection be withdrawn.

Rejections under 35 U.S.C. § 101

Claims 1-25

Claims 1-25 were rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. Specifically, the Examiner asserts that claims 1, 16, 24 and 25 are method claims that do not positively recite a tie to another statutory class, and thereby do not comport with the "machine-or-transformation" test. *Office Action*, pp. 3-4.

Applicants have amended independent claims 1, 16, 24 and 25 to recite that various steps are performed "by a computing device." Support for such an amendment can be found in numerous places in the as-filed specification, *e.g.*, *p. 6, lns. 9-15; p. 9, lns. 7-21; FIG. 1, ref. des. 104*. Accordingly, Applicants respectfully request that the rejection to claims 1, 16, 24 and 25 be withdrawn. Further, Applicants assert that dependent claims 2-15 and 17-23 contain statutory subject matter by virtue of their dependence upon independent claims 1 and 16. Accordingly, Applicants request that the rejection of dependent claims 2-15 and 17-23 be withdrawn.

Claims 1-15 and 25

Claims 1-15 and 25 are also rejected under 35 U.S.C. § 101 because the claims 1 and 25 allegedly have "an inactive and inconclusive end." *Office Action*, *p. 4*. Specifically, the Examiner asserts that the "last step of processing leads to an unknown end and does not fulfill the purpose stated in the preamble. The claimed invention

therefore has no patentable utility and lacks concreteness and tangibility. No transformation has occurred." *Id.*

Without acquiescing to the rejection, and solely to expedite prosecution of this matter, Applicants have amended claims 1 and 25 to add the feature of "transmitting, by the computing device, an authorization decision to the merchant based on the determined risk factor." With respect to the alleged "inactive and inconclusive end," Applicants contend that such an assertion is an improper basis for a § 101 rejection, and cannot find a statutory or case law foundation to support such a rejection. Moreover, Applicants further contend that the claims have utility and concreteness and tangibility. Specifically, Applicants note that the step of "processing the transaction variables through a fraud-risk model to determine a risk factor for the transaction" is useful, concrete and tangible since a computing device determines a risk factor that is useful to the associated merchant that wishes to avoid fraud.

Finally, even assuming *arguendo* that an "inactive and inconclusive end" is a valid basis for a § 101 rejection, claims 1 and 25 are active and do not have an inconclusive end. For example, claim 1 recites among other things: "processing the transaction variables through a fraud-risk model to determine a risk factor for the transaction." Claim 25 recites a similar feature using analogous language. This feature is active since it involves the step of "processing" and has a conclusive end since it "determine[s] a risk factor for the transaction." Thus, Applicants contend that the allegation of an "inactive and inconclusive end" is without a factual basis. Accordingly, Applicants respectfully request that the rejection to claims 1 and 25 be withdrawn.

Rejections under 35 U.S.C. § 112

35 U.S.C. § 112, First Paragraph

Claims 1-15 and 25 were rejected under 35 U.S.C. § 112, first paragraph, as failing to comply with the enablement requirement. Specifically, the Examiner asserts that independent claims 1 and 25 have "an inconclusive end, thus preventing an ordinary practitioner from using the invention without unreasonable approximation." *Office Action*, p. 5. Applicants traverse the rejection.

With respect to the alleged "inconclusive end," Applicants contend that such an assertion is an improper basis for a § 112, paragraph 1 rejection, and cannot find a statutory or case law foundation to support such a rejection. Even assuming *arguendo* that such an assertion is a valid basis for such a rejection, Applicants note that the step of "processing the transaction variables through a fraud-risk model to determine a risk factor for the transaction" is conclusive, since it results in the determination of a risk factor. The Examiner's assertion appears to suggest that the Examiner wishes additional steps to be provided as part of claims 1 and 15. However, the test for enablement is whether the "claimed invention" may be practiced without undue experimentation. Applicants submit that not only can the recited steps be practiced without undue experimentation, but that there is no basis for the additional of additional steps. Accordingly, Applicants respectfully request that the rejection be withdrawn.

35 U.S.C. § 112, Second Paragraph

Claims 1-15 and 25 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Specifically, the Examiner asserts that independent claims 1 and 25 have "an inconclusive end, thus preventing an ordinary practitioner from using the invention without unreasonable approximation." *Office Action*, p. 5. Applicants traverse the rejection.

Applicants firstly note that the test for indefiniteness is "whether the scope of the claim is clear to a hypothetical person possessing the ordinary level of skill in the pertinent art" (*M.P.E.P.* § 2172), and not "preventing an ordinary practitioner from using the invention without unreasonable approximation." Using the M.P.E.P. standard of indefiniteness, Applicants contend that the two features of claims 1 and 25, namely the "receiving" and the "processing" clearly of these two claims. Even assuming that "an inconclusive end" is a basis for a § 112 para. 2 rejection, Applicants submit that it does not have "an inconclusive end" for the reasons cited above.

Accordingly, Applicants respectfully request reconsideration and the withdrawal of the rejection of claims 1-15 and 25.

Rejections under 35 U.S.C. § 103

Claims 1-25 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,658,393 to Basch *et al.* (hereafter "*Basch*"), in view of U.S. Patent Appln. Publ. 2003/0225687 to Lawrence (hereafter "*Lawrence*"). In addition, Applicants note that the Examiner also uses Official Notice together with the "practitioner's own

knowledge" to assert the rejection. *Office Action*, pp. 6-9. Applicants traverse the rejection.

Claim 1 recites among other things:

the transaction variables including a passenger name on the travel ticket, a travel date, a routing description of the travel ticket, and an electronic ticket indicator; and
processing the transaction variables through a fraud-risk model to determine a risk factor for the transaction.

Claims 16, 24 and 25 recite similar features, using analogous language.

The Examiner asserts that the feature of "the transaction variables including a passenger name on the travel ticket, a travel date, a routing description of the travel ticket, and an electronic ticket indicator" are disclosed by Official Notice (or the "practitioner's own knowledge"). The Examiner also mentions *Lawrence* with respect to this feature. Applicants disagree that the Official Notice is proper, and disagree that *Lawrence* discloses the above mentioned distinguishing feature.

First, Applicants note that the Official Notice is not proper. Simply because travel tickets may have been purchased that included a passenger name, travel date, route, and/or electronic ticket indicator, there is no assertion by the Examiner that such items were ever used as part of a real-time fraud-risk evaluation. Accordingly, such an assertion by the Examiner is not unquestionably well known such that it would meet the requirements of Official Notice. Indeed, as noted in the background section of Applicants' specification, real-time authorization data at the time of Applicants' invention did not include such information. Further, Applicants respectfully request that if the Examiner maintains the asserted Official Notice (or the "practitioner's own knowledge")

in any further official action, that the Examiner provide a reference evidencing that such features were known to those skilled in the art *at the time the invention was made*. As stated in the M.P.E.P., "[i]t is never appropriate to rely solely on common knowledge in the art without evidentiary support in the record as the principal evidence upon which a rejection was based." *See In re Zurko*, 258 F.3d 1379, 1385 (Fed. Cir. 2001), *M.P.E.P.* § 2144.03(A). "It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known." *M.P.E.P.* § 2144.03(A). Accordingly, Applicants contend that the record fails to establish that the asserted Official Notice is capable of the required instant and unquestionable demonstration of being well-known at the time the invention was made. Absent the required support for the asserted Official Notice (or the "practitioner's own knowledge"), Applicants respectfully contend that the obviousness rejection lacks the required foundation and therefore requests withdrawal of that rejection.

Second, *Lawrence* does not disclose the "transaction variables including a passenger name on the travel ticket, a travel date, a routing description of the travel ticket, and an electronic ticket indicator," as recited in claim 1, and similarly recited in claims 16, 24 and 25 using analogous language. Because *Lawrence* is focused on reputational, regulatory, physical and financial (fines, forfeitures, lost revenue) risks of a particular travel arrangement, *Lawrence's* disclosure of input data is limited to a description of a travel mechanism (including details such as type of plane, number of passengers, how cargo is stored, safety records) as well as person data of one or more travelers (name, date of birth, citizenship, passport number, etc). *See Lawrence*, paras.

[0008], [0040], [0069], [0070]. As discussed above with respect to the Official Notice, absent the disclosure by *Lawrence* of the "transaction variables including a passenger name on the travel ticket, a travel date, a routing description of the travel ticket, and an electronic ticket indicator," claims 1, 16, 24 and 25 cannot be rendered obvious. Accordingly, on this basis alone, Applicants respectfully request that the rejection be reconsidered and withdrawn.

Finally, even assuming *arguendo* that the legal and factual requirements for Official Notice are met (which Applicants do not concede, as noted above) and that *Lawrence* brings something relevant to the table (which again Applicants do not concede, as noted above), the asserted *Basch-Lawrence-Official Notice* is an improper combination since the Examiner does not provide proper reasoning for such an alleged combination. For example, the Examiner provides only a conclusory statement that a reason for combining *Basch*, *Lawrence* and the *Official Notice* is the "desire to provide methods and systems which will utilize information to assist with risk management and due diligence related to travel arrangements (*Lawrence*, page 1, [0006])." *Office Action*, p. 7.

Applicants contend the Examiner's conclusory statement (i.e., assist risk management and due diligence) is improper since it is far too general and could cover almost any modification contemplated of *Basch*. Were such reasons permitted, almost every invention, no matter how unobvious, would be denied patentability since risk management and due diligence are goals for almost every business transaction. Completely missing from the Examiner's assertions are reasons as to why the specific modification of the *Basch* approach, namely to use "transaction variables including a

passenger name on the travel ticket, a travel date, a routing description of the travel ticket, and an electronic ticket indicator" is disclosed or suggested in the applied references. In fact, there is nothing in any of the references that suggests these "transaction variables," as required to assert a valid combination of references.

Accordingly, absent a proper reason to support the asserted *Basch-Lawrence-Official Notice* combination, the combination is improper and claim 1 is therefore not rendered obvious. Thus, Applicants respectfully request reconsideration and that the rejection be withdrawn.

Dependent claims 2-15 and 17-23 are patentable for at least the same reasons as independent claims 1 and 16 from which it directly or indirectly depends, and further in view of its own respective features. Accordingly, Applicants respectfully request that the rejection of claims 2-15 and 17-23 are withdrawn.

Conclusion

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will

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Appl. No. 10/588,811

expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

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